

MINUTES
DAGSBORO TOWN COUNCIL
Bethel Center – 28307 Clayton Street
Monday, May 23, 2016

I. CALL MEETING TO ORDER

6:00 p.m.

Mayor Truitt called the meeting to order at 6:00 p.m. In attendance was Mayor Truitt, Vice Mayor Baull, Councilwoman Ulrich, Councilman Chandler, Councilman Miller, Town Administrator Stacey Long, Police Chief Toomey, AECOM's Kyle Gulbranson, Attorney Rob Witsil and others as listed on the sign in sheet.

II. PUBLIC COMMENT

Tom Mach of the Woodlands of Pepper's Creek is opposed to Council amending the ordinance regarding the time of completion of the streets within subdivisions and making the ordinance retroactive as he was informed of this by Jim Thompson. He was advised by the Council that if any changes are made they would not be retroactive and that was specifically stated at the last meeting.

III. COURT OF APPEALS

Mr. Hansken at 28884 Warrington Street would like to have his assessment lowered as he is on a fixed income. It was explained that this appeals process is for those who believe their tax assessment is incorrect. This is not the time to oppose the tax rate and what is owed. There were no appeals. Councilman Chandler made a motion to approve the FY2017 Tax Assessments and Vice Mayor Baull seconded it. Motion carried with all in favor.

IV. APPROVAL OF MINUTES

Motion to approve the April 25, 2016 Town Council minutes with revision to indicate of the absence of Councilman Chandler was made by Vice Mayor Baull and seconded by Councilman Miller. Motion carried with all in favor.

V. CONSENT AGENDA

Addendum to the Code Enforcement Report:

Kyle updated the Council of the street matter in the Woodlands of Pepper's Creek. The developer is going to move forward with the street improvements. The developer has submitted an estimate for the improvements and we will be drafting up a public works agreement and bond agreement. The developer would like to install curbing, the base coat of asphalt in phase two and three, keep the bond in place, complete phase one and request a conditional acceptance of phase one. The bonds will stay in place, with a one year warranty, which can be made longer if we feel it is needed, and inspections will be completed. At the end of the warranty period, if the inspections are done and the roads are in good condition the hope is that the Town accepts the street. Topcoat of phase two and three will be done once the houses are finished. Once the bond is in place for two and three, they will dig out the road base, curbing and base coat, then put the final layer on phase one. Town will accept the street in phases once voted on by Town Council. All Streets are anticipated to be completed by the end of 2016.

A motion was made by Councilman Chandler and seconded by Councilwoman Ulrich to accept the consent agenda. Motion carried with all in favor.

VI. PLANNING & ZONING COMMITTEE REPORT

a. *Organization of Commissioners:*

Scott Crater remains as Chairman, Brad Connor remains as Vice Chairman and Jim Thompson volunteered to be Secretary. Chairman Crater brought up a turn of events in the last Planning and Zoning Committee meeting. His statement as follows “I don’t know if this is the proper time to bring this up, but at that same meeting we elected our officers and I was taken aback by the sequence of events that took place at this particular meeting. We wanted to approve the agenda to have our meeting and Jim Thompson did not want to approve the agenda. The only way he would approve the agenda is if we agreed to listen to something about the Soil Conservation District. And it just got out of hand and I really didn’t know how to keep the meeting moving in a positive fashion from that stand point. So I need some help, the Planning and Zoning Commission needs help from the Council and Attorney for what we can do on the Planning and Zoning Board to keep him focused on the matters at hand rather than on Woodlands. And I believe he works for Fernmoor. So there is things that I don’t understand that is going on.” Mayor Truitt responded “We are in the process of handling this matter.” There was no further discussion on this matter.

b. Request for operating an Ice Cream trailer at 33225 Main Street:

There is a concern from a legal and safety stand point of the condemned property. If the owner establishes a boundary it would help the stand point of safety and define their business area. The house will be inaccessible, even to employees. Attorney Witsil is concerned with the fact that the structure is unsafe and allowing a business to be conducted on the property may be a liability on the town. The applicant, Randy King, stated that the interior problems are substantial but the outside is safe. He informed Council that the condemning of the property was due to the electrical fire. An underground electrical service will be run from the house to the trailer to allow for electricity. An electrical inspection is in the works and inspection reports will be provided to the town once it is completed. The power would be cut off to the main house and just run electrical service to the outside of the property to the trailer. The owner will put a rider on the existing liability insurance to be sure the property is insured for the business. The trailer will be approximately 35-40 feet from the house in the side yard between the house and the produce stand next door. The owner is still pursuing to request use from the neighboring property for use of their parking lot for off street parking. The port-a-potty will be placed to the back side of the house, out of sight and for employee use only. Stacey stated to uncondemn the property the violations identified in the consent order would have to be rectified. A suggestion is made that the property owner get a policy to indemnify and hold the town harmless from any liability. Attorney Witsil does not feel that this should not be recommended for approval due to the liabilities and the loose ends. Council’s suggestion is before progression can be made, the Town needs to see that the business can be insured and can indemnify the Town. This information will be placed on the agenda for the Planning and Zoning meeting for June.

VII. NEW BUSINESS

a. Consideration of a resolution to approve the application to the State of Delaware Downtown Development District Program for designation as a Downtown Development District:

Letters of support are coming in from local businesses, state legislators and the Delaware Botanical Garden. As soon as the last of the letters come in we will submit the plan and the application to the State, by May 27, 2016. The incentives we are offering are reduction of tax for a 10 year period for the improvement to the property, payment options for the EDUS for up to 5 years and up to a 75% reduction in variance fees. Slight variations to the incentives can be made if approved for the designation. The incentives are only for the district and not Town wide. Motion made by Councilman Chandler and seconded by Councilwoman Ulrich to approve the resolution. Motion carried with all in favor.

b. Review and consideration of the Licensed Operator Services Contract submitted by Artesian Water for the Water Distribution System:

Prices have gone up to \$968 per month. We don’t have to conduct a lead and copper sampling until 2018, so we won’t need to add the \$300 sampling expense this year. Nothing has been changed in the

services offered. We pay \$100 extra per month for on call service. Councilman Chandler made a motion to accept the contract and Vice Mayor Baull seconded the motion. Motion carried with all in favor.

- c. *Consideration of removing Citizen's Bank as the processor of property transfers and have the Town begin processing their own transfers and collecting payment.*

There have recently been numerous errors with Citizen's Bank processing our property transfers. There is a 2% charge of money collected for them to process these. By doing this in house it will be beneficial to us as we will be able to update our records immediately versus the two month delay we currently have with Citizen's Bank and we would save money. Sussex County offers this service at 1% of fees collected. Millsboro, Georgetown and Laurel all do this in-house. If we choose to move forward with this, we would close the Citizen's Bank account and open another account closer to us and change it to an interest bearing account. We will try the services in house and if it is proven to be too time consuming then we can change it to Sussex County. This will go in effect July 1st. Councilman Chandler made a motion to close the Citizen's Bank account and discontinue their service for property transfer processing in favor of saving money and time by processing the property transfers in Town Hall. Councilwoman Ulrich seconded the motion. Motion carried with all in favor.

VIII. OLD BUSINESS

- a. *Review Draft FY2017 Budgets*

Taxes receivable increased from \$250,000 to \$250,813 once we got the final tax assessment figures. The water income is being utilized more frequently for the surrounding towns' general operation expenses. They help pay police department salaries as they are providing security checks on tanks, hydrants and buildings. The water fund should play a larger role in our town to help with expenses. \$25,000 more will be taken out of the water fund to help cover budgeting shortfalls. We will be taking 15% of remaining Town Staff salaries to be paid from the water fund and 45% of the Administrator's salary will come out of the water fund which is the same as last year. The budget wouldn't be balanced if we did not do this. If we didn't offset with the water fund we would have a \$21,000 deficit. There is currently a \$64,289 surplus in the water fund. Fernmoor is looking to build 8 more units in the upcoming year. We have been reimbursed in full for Swamp Road repaving project. Inspection fees were increased because we were over budget this year. We are \$3,500 under budget for legal and auditor fees. It was increased the past couple of years because of the water situation with Millsboro. Now that we have settled the matter it was decreased. Public Service Impact fees are EDUS we are expected to be getting with the new homes being built. Property Transfer fees to Citizen's Bank will no longer be an expense item. Grant income not being seen was received the prior year and the Downtown Development District was left off the rough draft in error. Both Town Hall and Police Department needs copiers. The one in the office will be able to be handed down to the Police Department. Norwood offered to help research copiers. The bank service charge for credit card processing was not added into the budget as of yet. A lot of registers on the water meters are being replaced due to failing signals. Registers cost \$120 each. Municipal Street Aid there has been no increase or decrease. Street signs have been budgeted again. The cemetery, which normally operates in a deficit, currently has a surplus of \$1600. We will have a carry forward of \$448.00.

- b. *Review of proposed ordinance to amend the Municipal Code of the Town of Dagsboro, Delaware, to adopt conditional use zoning classifications in all zoning districts defined in Chapter 275; to authorize the Planning and Zoning Commission to review conditional use applications by amending Section 34-8; to adopt a definition of "Conditional Use" by amending Section 275-8; to adopt a procedure to review, determine and regulate conditional uses by adopting new Section 275-47 entitled "Conditional Uses"; to provide notice requirements for conditional use applications by an amendment to Section 275-63; and to provide for Site Plan Review and approval of a conditional use application by amending Section 275-40*

Attorney Witsil had a draft ordinance ready for review. Council reviewed it and recommended that it be sent to State for review and comments. Stacey recommended application and escrow fees be included within the proposed ordinance.

- c. *Review and discuss Section 238-7(B)(22) of the Dagsboro Code regarding timing of completion of subdivision streets.*

Instead of a 30% completion we felt a 90% completion would be more in line. 100% of all road improvements must be completed before 100% occupancy of units. Changes made will not be made retroactive. A draft ordinance will be ready for review in June.

At 8:05 p.m. motion to adjourn to executive session was made by Vice Mayor Baull and seconded by Councilman Chandler. Motion carried with all in favor.

At 8:18 p.m. the Council re-entered regular session with a motion made by Councilman Chandler and seconded by Vice Mayor Baull. Motion carried with all in favor.

At 8:18 p.m. Councilman Chandler made a motion to adjourn the meeting and was seconded by Vice Mayor Baull. Motion carried with all in favor.

Respectfully Submitted,

Amelia KW Ronco
Town Clerk